



GM CEO Mary Barra in a 2017 Chevrolet Bolt EV at the 2016 North American International Auto Show in Detroit.

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AUTO

**CEO Mary Barra
revs things up
at General Motors**

PILOT

BY TOM BEAMAN

MARY BARRA was born the day before Christmas 1961, the daughter of a General Motors tool and die maker and a part-time bookkeeper.

Barra's interest in cars led her to the General Motors Institute (now Kettering University) in Flint, Michigan, where she earned a degree in electrical engineering in 1985. She later received an MBA from Stanford University.

Barra's GM jobs ranged from an engineer in the Pontiac Fiero assembly plant to senior vice president of global product development. She was named CEO in January 2014 and chairman of the board of directors in January 2016. Later that year, *Forbes* magazine named Barra the fifth most powerful woman in the world. She is the first woman to lead a U.S. automaker.

Two weeks after Barra became CEO she faced a challenge that would define her early tenure—a recall of faulty ignition switches that was to involve 2.6 million vehicles and cost the company

over \$2 billion. In testimony before Congress and in messages to customers and employees, Barra took responsibility for the recall and committed to learning why it took years for the issue to come to light. She created the new position of vice president of global vehicle safety, hired a former U.S. attorney to conduct an investigation of the company's actions leading up to the recall and established procedures for customers to repair or replace affected vehicles.

In September 2014, *Fortune* magazine wrote, “[Barra’s] approach is modest and audacious at the same time: She proposes to alter the mindset by behaving differently every day than any GM CEO has behaved in decades, and through her example and a CEO’s influence, to change the way everyone else behaves every day.”

Seven years after exiting bankruptcy, GM today appears to be firing on all cylinders. The company, whose brands include Chevrolet, Buick, GMC and Cadillac, sold 10 million vehicles

worldwide in 2016, generating \$9.43 billion in net income. The electric Chevrolet Bolt EV was named 2017 North American Car of the Year.

To stake its claim in the growing “mobility” space, GM last year launched the Maven car-sharing service and announced a long-term strategic alliance with ridesharing service Lyft to create a network of on-demand autonomous vehicles in the U.S. The company plans to invest \$1 billion in the U.S. in 2017 and to add more than 5,000 new jobs in the next few years.

And just last month, she took the bold step of selling off GM’s struggling European Opel and Vauxhall brands to refocus on GM’s core business.

Barra was recently tapped by President Trump to serve as an economic adviser—a role that will allow her to be the voice of the auto industry in critical decisions affecting the industry. She spoke to *The Costco Connection* from GM headquarters in Detroit. The following are edited excerpts.

THE COSTCO CONNECTION: *Did you ever see yourself in the CEO’s chair?*

MARY BARRA: No, I did not. I liked the strategic parts of the business and leading teams, but never saw myself in the CEO’s chair until shortly before I was offered the opportunity. I really feel honored to lead the men and women of General Motors.

CC: *How do you describe GM’s corporate culture and how is it different from 10 years ago?*

MB: We’ve been on a journey for the last 10 years to become a very customer-focused culture that understands we don’t win until the customer says we win. We’re much more agile and move with a sense of urgency. We’re focused on the leadership behaviors we have to demonstrate every day to get to that culture of speed and accountability and customer focus.

CC: *How do you know what kind of cars buyers are going to want in 20 years or even five years?*

MB: If you put the customer in the center of every decision and say, ‘How can I solve customer pain points or how can I improve the ownership and driving experience?’ and then leverage the technology and the knowledge we have in the company, we can create vehicles and experiences

and the future that the customer maybe can’t clearly articulate today, but when they get here they’re going to say, ‘This is exactly what I needed.’

CC: *What are the leading technical advances that we’ll be seeing in future GM cars?*

MB: We have a strong foundation in connectivity because we’ve had OnStar in GM products for over 20 years. At the end of last year almost 12 million GM vehicles around the globe had 4G LTE. The Bolt EV from Chevrolet is a great example of electrification. You can go 238 miles on a charge, it’s affordable and it has great performance and functionality. We’re also working very aggressively on autonomous vehicles for very specific urban or sharing situations. Think about autonomous vehicles being able to pick you up and drop you off and then you don’t have to go through the frustration of getting from point A to point B. We believe autonomous vehicles in the right environment can not only add value to the customer but can make the driving experience safer.

CC: *GM has appointed a chief compliance officer to oversee a corporate code of conduct you call “Winning with Integrity.” Tell us about that.*

MB: Setting the right tone at the top with our “Winning with Integrity” code of conduct is a

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MEMBERINFO

NAME Mary Barra, CEO and Chairman; @mtbarra

COMPANY General Motors Company

EMPLOYEES 225,000

HEADQUARTERS Detroit

WEBSITE gm.com

QUOTE ABOUT COSTCO

“I am a proud Costco member. We get *The Connection* every month and I always look through it.”—Mary Barra

Costco members can purchase a variety of vehicle brands—including General Motors—through the Costco Auto Program. For more information about the program and the dealer vetting process, please see the article on page 105.

daily reminder to all of our [225,000] employees around the globe that, yes, we want to win and work hard and be passionate, but we need to do it the right way even when it's hard.

CC: *GM just gave a \$250,000 grant to the national nonprofit group Girls Who Code. What is that and why did you do it?*

MB: It's pretty well documented that women are not entering the technical fields as quickly as men, specifically in coding. Learning to code, even if you're not going to do it for the rest of your life, is fundamental. Girls Who Code understands that young girls start to veer away from math and science in middle school. This very effective program engages middle school girls with clubs and teaches them how to code but also links it to what they're passionate about. One of the girls coded an app to help fight bullying. Another did something related to the Zika virus. By the time they get to high school they're engaged and then it flows through to college. Girls Who Code is a very important partnership because not only is it the right thing to do for society, but we are going to need more and more technical talent in the company and we need to make sure that the entire population is learning the skill sets to have access to really good-paying jobs.

CC: *GM has committed to using 100 percent renewable energy to power its 350 facilities worldwide by 2050. How will you do that?*

MB: The path to get to 100 percent renewable energy is first to make sure that everything we do that uses energy is as

GM CEO Mary Barra (left) and Girls Who Code founder and CEO Reshma Saujani at GM's headquarters.

efficient as possible, using new technology and daily diligence to conserve electricity. The next step is to make sure we are procuring more renewable energy. We recently purchased wind power that was equal to the electricity needs of 16 of our U.S. facilities. We're also going to continue to develop battery energy storage options to address the intermittent challenges we have with some renewable energy, like wind and solar, to make sure we have uniform powering for our facilities. We will be collaborating with utilities, policy makers, government officials and renewable energy developers in a team effort to drive the scale we need to do this.

CC: *How do you maintain work-life balance?*

MB: I've been married for 31 years and I have a wonderful husband and two children. It's about being there for the most important things. I'm a soccer mom and a hockey mom and a cross-country mom. I try to be at all the events that are important to my children. When my child

Mary Barra and the 2016 Chevrolet Bolt at the North American International Auto Show in Detroit.



is not on the soccer field I'm responding to emails or reading documents. I think it's about setting priorities and realizing that sometimes the most urgent is not the most important.

CC: *What leaders inspire you?*

MB: I have been fortunate to have many mentors throughout my career, too many to name. The people I admire the most are my parents, neither of whom went to college. They both worked hard, and were born and raised in the Depression. They taught me the power of following your passion and that there's no substitute for hard work. They couldn't have been more supportive of my brother and me.

CC: *Why should young women and men want to work in the auto industry?*

MB: Because it's so exciting. Right now we're seeing more change than we've seen in the last 50 years. For most people, the most important purchases you make are a car and a home. It's a fashion statement and a technology statement. People name their cars! We feel very special that we get to participate in one of these very important purchases in someone's life.

CC: *What do you want your legacy at GM to be?*

MB: I believe in the men and women of General Motors. They are some of the most dedicated, hardworking, creative, talented people. General Motors [can] create solutions that allow people to have safer, better, simpler lives and to solve some of the issues that are tagged on the auto industry, like congestion and the environment. My goal is to improve the way people get from point A to point B and to do it in a way that's responsible and makes the world a better place and improves the environment. **C**

Costco member Tom Beaman is a freelance writer in Rochester Hills, Michigan.